

September 9, 1981

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Public Debt Limit

Present law

The combined permanent and temporary debt limit is \$985.0 billion through September 30, 1981.

The combined limit consists of the permanent debt limit of \$400 billion, and the temporary limit of \$585 billion. It is the temporary limit that will terminate after September 30, 1981.

Bills referred to Committee on Finance

Two House-passed resolutions providing temporary increases in the public debt limit have been referred to the Committee on Finance.

H.J. Res. 265 would increase the temporary debt limit to \$1,079.8 billion for the period beginning on October 1, 1981, and ending on September 30, 1982 (fiscal year 1982). H.J. Res. 266 would increase the temporary debt limit to \$999.8 billion from the date of enactment through September 30, 1981 (fiscal year 1981). H.J. Res. 266 was reported out by the committee with an amendment to strip out the increase in the debt ceiling and replace it with the Economic Recovery Tax Act of 1981.

Each of the resolutions incorporates an increase in the temporary debt limit that is consistent with the First Budget Resolution for fiscal year 1982.

Present status of the debt limit

At the close of business on September 3, 1981, the outstanding debt subject to limit was \$980.5 billion. After September 30, 1981, when the debt is scheduled to go down to \$400 billion, Treasury would not be able to issue any more debt unless there is new legislation.

Present budget outlook

The most recent estimates of budget totals for fiscal years 1981 and 1982 of the Administration and the congressional budget procedure are summarized in the table below (in billions of dollars).

	Administration		First Budget Resolution	
	Mid-Session Review			
	Fiscal year		Fiscal year	
	<u>1981</u>	<u>1982</u>	<u>1981</u>	<u>1982</u>
Receipts	605.6	662.4	603.3	657.8
Outlays	<u>661.2</u>	<u>704.8</u>	<u>661.35</u>	<u>695.45</u>
Deficit	-55.6	-42.5	-58.05	-37.65

